

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6258**

**BILL NUMBER:** HB 1242

**NOTE PREPARED:** Nov 17, 2004

**BILL AMENDED:**

**SUBJECT:** Hoosier Veteran License Plate.

**FIRST AUTHOR:** Rep. Ripley

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill creates a Hoosier Veteran license plate and specifies that the plate is not a special group recognition license plate. It requires the Bureau of Motor Vehicles (BMV) to terminate the issuance of the Hoosier Veteran license plate formerly issued as a special group recognition license plate.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** The potential expenditures involved with this proposal will depend upon of redesign work which must be completed on the existing Hoosier Veteran license plates to comply with the proposal's requirements.

PEN Products (Prison Enterprises Network), the manufacturing and sales arm of prison-made products, charges the Bureau of Motor Vehicles (BMV) and other groups petitioning for the creation of a new license plate(s). These charges consist of:

- (1) \$3.80 per plate (flat plate).
- (2) \$4.50 per multi-colored flat plate.
- (3) \$450 one-time setup. This includes a plate set up by a PEN graphic designer.
- (4) PEN Products can prepare camera artwork for the newly created plate at an hourly rate of \$45, but it is not required.

The funds affected are the PEN Products Revolving Fund and the Motor Vehicle Highway Account (MVHA) which supports the BMV.

**Explanation of State Revenues:** Removal of the Hoosier Veteran license plate from a special group recognition license plate will mean a revenue loss to the state estimated at \$386,595 per year, based on the sales of the Hoosier Veteran license plate in CY 2002 and CY 2003. As a special recognition license plate, purchasers are required to pay a \$15 administrative fee, with \$6 deposited into the MVHA, and \$9 deposited into the State License Branch Fund, which supports the state's 168 license branches. The annual revenue loss to the MVHA is estimated to be \$154,638 and \$231,957 to the State License Branch Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Correction (PEN Products Division); Bureau of Motor Vehicles.

**Local Agencies Affected:**

**Information Sources:** Jennifer Swenson, Sales Manager, PEN Products, 317-388-8580, ext. 273; BMV Specialty Plate Sales, page one.

**Fiscal Analyst:** James Sperlik, 317-232-9866.